

STATE OF WASHINGTON



OFFICE OF  
INSURANCE COMMISSIONER

*In the Matter of* )  
 ) No. G 97 - 63  
 )  
**The Market Conduct Examination** ) FINDINGS, CONCLUSIONS, AND  
**Oregon Mutual Insurance Company, and** ) ORDER ADOPTING REPORT  
**Western Protectors Insurance Company.** )  
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**BACKGROUND**

An examination of the market conduct of Oregon Mutual Insurance Company and Western Protectors Insurance Company (the Companies) as of December 31, 1996, was conducted by market conduct examiners of the Washington State Office of the Insurance Commissioner. The Companies are insurers under RCW 48.05.030. This examination was conducted in compliance with the laws and regulations of the State of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the Office of the Insurance Commissioner. This examination was limited to activities relating to policies issued in the State of Washington and to claims closed for Washington insureds from July 1, 1996, through December 30, 1996.

The examination report with the findings and recommendations was transmitted to the Companies for comments on November 18, 1997. Responses to the draft report were received on December 5, 1997. The Companies did not request a hearing.

The Commissioner or a designee has considered the report, the relevant portions of the examiner work papers, and the submission by the Companies.

Subject to the right of the Companies to demand a hearing pursuant to chapters 48.04 and 34.05 RCW, the Commissioner adopts the following findings, conclusions, and order.

### **FINDINGS**

The Commissioner adopts as findings the findings of the examiners as contained on pages 7-13 of the report.

### **CONCLUSIONS**

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the market conduct of the Companies.

### **ORDER**

The examination report as filed, attached hereto and incorporated by reference, is hereby **ADOPTED** as the final examination report.

It is **ORDERED** that the Companies comply with the Instructions in the Report, as follows (the parenthetical references are to pages in the report):

1. The Companies are instructed to ensure that the legal name and home office address appear on all published advertising materials, such as brochures, as required in RCW 48.30.050. Additionally, the Companies are instructed to display the name and corporate addresses of Oregon Mutual and Western Protectors on the Companies' newsletter as required in RCW 48.30.050. [Page 7]
2. The Companies are instructed to ensure that all claim files contain complete and accurate notes and work papers pertaining to the claims in such detail that pertinent events and the dates of such events can be reconstructed, in compliance with WAC 284-30-340. [Page 11]
3. The Companies are instructed to ensure that all total loss settlements include the appropriate allowances for tax, transfer and title fees as required in WAC 284-30-390(1)(a) and (b). [Page 11]
4. The Companies are instructed to comply with WAC 284-30-570 by providing clear and easily understood reasons for all company decisions relative to cancellations and non-renewals. [Page 13]

ENTERED at Lacey, Washington, on December 16, 1997.

DEBORAH SENN

Insurance Commissioner

By:

WILLIAM E. FRANSEN

Deputy Commissioner